

15,00

EDMUND R. LEARNED, P.A.
ATTORNEY AT LAW
SUITE 442, R H GARVEY BUILDING
300 WEST DOUGLAS
WICHITA, KANSAS 67202-2908
316/261-5311

December 21, 1990

17143-A
DEC 26 1990 - 11 05 AM
INTERSTATE COMMERCE COMMISSION

Secretary
Interstate Commerce Commission
Washington, D.C. 20423

0-360A008

Attention: Document for recordation

Dear Secretary:

I have enclosed two original counterparts of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

This document is an partial Assignment of the Bi-lateral Agreement (Lease), a secondary document, dated December 21, 1990.

The names and addresses of the parties to the document are as follows:

Lessor: Northwestern Oklahoma Railroad Co., One Foxfield Square, Suite 200, St. Charles, Illinois 60174.

Lessee: B C Rail, Ltd., 221 West Esplanade, North Vancouver, British Columbia, Canada, V6B 4X6.

Assignor: Rail One, Limited Partnership, One Foxfield Square, Suite 200, St. Charles, Illinois 60174.

Assignee: The First National Bank of Maryland, 25 South Charles Street, Fifteenth Floor, Baltimore, Maryland 21201

A description of the equipment covered by the document follows:

Twenty (20) railroad boxcars with railroad car marks NOKL 88270 through NOKL 88289.

A recording fee of \$15.00 is enclosed. Please return one of the original counterparts stamped with the recording information to me.

A short summary of the document follows: Partial Assignment of the Bi-Lateral Agreement (Lease) between Northwestern Oklahoma Railroad Co., an Oklahoma railroad corporation, as Lessor, One Foxfield Square, Suite 200, St. Charles, Illinois 60174 and B C Rail, Ltd, a corporation organized under the laws of the Province of British Columbia, as Lessee, 221 West Esplanade, North

Chad L. Epler
C. Epler

DEC 26 11 09 AM '90
MOTOR OPERATING UNIT

Interstate Commerce Commission
December 21, 1990
Page 2

Vancouver, British Columbia, Canada, V6B 4X6 granting use rights on Fifty-eight railroad boxcars with railroad car marks NOKL 88250 through NOKL 88304 which was dated October 1, 1988 by Rail One, Limited Partnership, One Foxfield Square, Suite 200, St. Charles, Illinois 60174 to The First National Bank of Maryland, 25 South Charles Street, Fifteenth Floor, Baltimore, Maryland 21201 to the extent the Bi-Lateral Agreement relates to Twenty (20) railroad boxcars with railroad car marks NOKL 88270 through NOKL 88289.

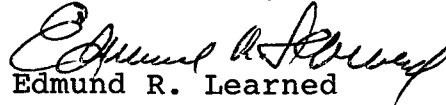
I am an attorney for the Assignee. Please call me at (316) 261-5311 if you have any questions.

Thank you very much.

Sincerely yours,

EDMUND R. LEARNED, P.A.

By


Edmund R. Learned

ERL/ms

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

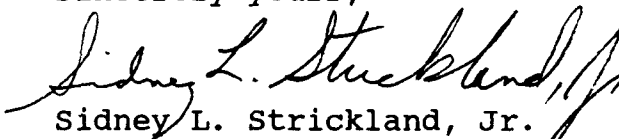
12/26/90

Edmund R. Learned, PA.
Suite 442, R.H. Garvey Bldg.
300 West Douglas
Wichita, Kansas 67202-2908

Dear Sirs:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 12/26/90 at 11:05AM, and assigned recordation number(s). 17143-A.

Sincerely yours,


Sidney L. Strickland, Jr.
Secretary

17143-A
RECORDATION NO. 17143
DEC 26 1990 - 10 05 AM
INTERSTATE COMMERCE COMMISSION

ASSIGNMENT OF
BI-LATERAL AGREEMENT
(LEASE)

DATED October 1, 1988

BETWEEN

NORTHWESTERN OKLAHOMA RAILROAD CO., ,
as Lessor,

AND

B C RAIL, LTD.,
as Lessee

FROM

RAIL ONE, LIMITED PARTNERSHIP
as Assigor

TO

THE FIRST NATIONAL BANK OF MARYLAND
as Assignee

Filed and recorded with the Interstate Commerce Commission
pursuant to the Interstate Commerce Act, 49 U.S. C. §11303 on
the _____ of December, 1990, at _____ .m.,
Recordation No. _____.

ASSIGNMENT AGREEMENT

This Assignment Agreement is made and entered into on this 21st day of December, 1990 by and between B C Rail, Ltd, a company organized and existing under the laws of the Province of British Columbia, Canada, hereinafter called "B C Rail", Northwestern Oklahoma Railroad Co., an Oklahoma railroad company, hereinafter called "NOKL", and Rail One, Limited Partnership, an Oklahoma limited partnership, hereinafter called "Partnership".

WITNESSETH:

WHEREAS, B C Rail and NOKL have entered into that certain Bi-Lateral Agreement, a true and correct copy of which is attached hereto as an Exhibit 1, which agreement has been supplemented by that certain letter from NOKL to B C Rail dated October 1, 1988, a true and correct copy of which is attached hereto as Exhibit 2, such agreement as supplemented by said letter shall hereinafter be referred to as the "Bi-Lateral Agreement", and

WHEREAS, NOKL is the sole general partner of the Partnership and NOKL wishes to assign the Bi-Lateral Agreement to the Partnership in so far as it is applicable to those certain twenty (20) railroad cars described on the attached Exhibit 3, and

WHEREAS, the Partnership has negotiated a Loan with The First National Bank of Maryland, hereinafter be referred to as the "Bank", which requires the assignment by the Partnership of the Bi-Lateral Agreement in so far as it is applicable to those certain twenty (20) railroad cars described on the attached Exhibit 3 to the Bank as collateral for the said Loan and the other agreements herein contained.

NOW THEREFORE, in consideration of the following mutual covenants and promises and intending to be legally bound hereby, the parties agree as follows:

1. ASSIGNMENT: Effective on the 21st day of December, 1990, hereinafter referred to as the "Effective Date", NOKL assigns, transfers, and sets over unto Partnership all of the rights, title and interest of NOKL in and to the Bi-Lateral Agreement, including all payments due or to become due thereunder, in so far as such are applicable to those certain twenty (20) railroad cars described on the attached Exhibit 3. NOKL warrants that it has good and marketable title to and good right to convey the rights herein assigned, that it has not heretofore assigned any of the rights being assigned hereunder and that the rights assigned are free and clear of all liens and encumbrances.

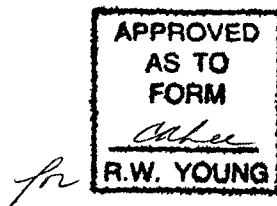
2. ASSUMPTION: In consideration of the assignment set forth in paragraph 1 of this Agreement, Partnership hereby accepts such assignment and agrees to perform all of the obligations of NOKL arising under the Bi-Lateral Agreement in so far as it is applicable to those certain twenty (20) railroad cars described on the attached Exhibit 3 from and after the Effective Date.

3. CONSENT AND AGREEMENT: B C Rail hereby consents to the assignment set forth in paragraph 1 of this Agreement in consideration of the assumption of the obligations by the Partnership as set forth in paragraph 2 of this Agreement. B C Rail further consents to the assignment by the Partnership of the Bi-Lateral Agreement in so far as it is applicable to those certain twenty (20) railroad cars described on the attached Exhibit 3 to the Bank as collateral for the a Loan extended to the Partnership by The First National Bank of Maryland and agrees that unless and until B C Rail has received the prior written consent of the Bank, all short fall payments required by paragraph 1 of the that certain letter attached hereto as Exhibit 2 will be paid by B C Rail issuing its check payable to the Partnership and mailing such check to:

The First National Bank of Maryland
25 S. Charles Street
15th Floor
Baltimore, Maryland 21201
Attention: Transportation Division

for deposit in the account of the Partnership with the Bank.

IN WITNESSETH WHEREOF, the parties hereto have caused this Assignment Agreement to be executed in their respective corporate and partnership names by their respective duly authorized representatives.



B C Rail, Ltd

By *[Signature]*
(Name) (Title)

Northwestern Oklahoma
Railroad Co.

By *Lita K. Timenez*
LITA K. TIMENEZ Vice President
(Name) (Title)

Rail One, Limited Partnership,
an Oklahoma limited
partnership, By Northwestern
Oklahoma Railroad Co., its
General Partner

By *Lita K. Timenez*
LITA K. TIMENEZ Vice President
(Name) (Title)

BI-LATERAL AGREEMENT

Agreement made and entered into this 1st day of October, 1988 between Northwestern Oklahoma Railroad Co. a corporation (hereinafter called "NOKL") and B. C. Rail, Ltd. (hereinafter called "BCR").

1. NOKL agrees to provide BCR the use of up to 58 plate "C" boxcars in series 88250-88307 for a 60 month period.
2. BCR agrees to pay full per diem on this equipment based upon attached appendix R effective 9/1/82 of the Official Railway Equipment Register, except that it may claim a maximum of 10 days reclaim per car per month, not to exceed 120 days per year. Cars will be dedicated to international service and will be operated under AAR car service directive No. 145.
3. BCR shall make no charge for storage of the cars on the BCR and agrees to move cars free of charge to any BCR interchange point after termination of this agreement. NOKL agrees to remove cars from BCR within 90 days after date of termination.
4. NOKL is responsible for normal wear and tear and provisions of the AAR interchange rules, including those applicable to destroyed cars, shall apply to this agreement to the extent that they are not in conflict with the express provisions of this agreement.
5. If at anytime during the term of this agreement, the car hire or car service rules of the Association of American Railroads shall be terminated or amended in any material respect, the NOKL shall have the right to terminate this agreement on 30 days written notice to BCR.
6. NOKL shall be liable for any taxes, fees, tariffs, penalties imposed or levied by, upon or in connection with the cars or this agreement by the United States government or any government in the United States. BCR shall be liable for any taxes, duties, fees, tariffs, penalties imposed or levied upon or in connection with this agreement by the Canadian government in Canada or any government except the United States government or any government in the United States.

M. M. Jensen
WITNESS

A. C. Hargrave
B. C. RAIL LTD.

Dail M. Jensen
WITNESS

John Paulsen
NORTHWESTERN OKLAHOMA RAILROAD CO.

October 1, 1988

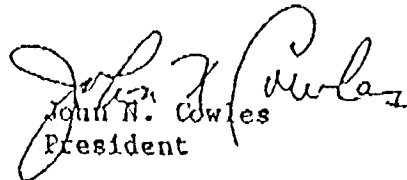
B. C. Rail, Ltd.
P.O. Box 8770
Vancouver, BC V6B 4X6

Attention: B. McIntosh
Chief of Transportation

The following will confirm our mutual agreement to the following understandings affecting the Bi-lateral Agreement dated 10/1/88 between NOKL and BCR, which covers the use of 58 boxcars in series NOKL 88250-307.

1. It is agreed that BCR will suppress all car hire in the month earned. NOKL will audit each car hire month 90 days after month end to determine if each car in active service during the month earned a minimum of 20.42 days per diem. Any shortfall below 20.42 days will be paid by BCR to NOKL within 10 days after receipt of invoice from NOKL. All per diem earned in excess of 20.42 days will be paid to BCR by NOKL within 100 days after car hire month earned. All payments to be made in U.S. funds.
2. BCR will have the first option to retain the cars if the agreement is terminated per paragraph #5 in connection with any proposed rental or assignment agreement to be entered into within thirty (30) calendar days after such termination by meeting the terms and conditions which have been submitted to NOKL by any third party in a bonafide proposed rental or assignment agreement. Such option is exercisable by receipt by NOKL of notice of election by BCR within 10 calendar days after receipt of notice by BCR from NOKL of the proposed terms and conditions.

Sincerely,


John H. Cowles
President

JNC/bau

ALH

EXHIBIT 3

Twenty 70 ton plate C rigid underframe boxcars
bearing road numbers as follows:

NOKL 88270
NOKL 88271
NOKL 88272
NOKL 88273
NOKL 88274
NOKL 88275
NOKL 88276
NOKL 88277
NOKL 88278
NOKL 88279
NOKL 88280
NOKL 88281
NOKL 88282
NOKL 88283
NOKL 88284
NOKL 88285
NOKL 88286
NOKL 88287
NOKL 88288
NOKL 88289